

# SOUTHBANK SINFONIA

(A company limited by guarantee)

## TRUSTEES' ANNUAL REPORT and AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 DECEMBER 2019

Company Registration Number: 04335616

Registered Charity Number: 1092461

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## REFERENCE AND ADMINISTRATIVE DETAILS

Southbank Sinfonia Ltd  
Company Registration Number: 04335616  
Registered Charity Number: 1092461

### Trustees

J Michael Berman CBE  
Sarah Derbyshire (resigned 24 May 2020)  
Sean Finnan (resigned 27 February 2019)  
Mindy Kilby  
Baroness McIntosh of Hudnall (resigned 20 May 2020)  
Simon Over  
D Mark Payne  
Duncan Sutherland (Chairman)  
Peter Toyne (appointed 05 November 2019, resigned 21 May 2020)  
Katharine Verney

Trustees are recruited, appointed, and trained by the existing Trustees. No external persons are entitled to appoint Trustees. Trustee meetings are held at least four times a year to review the financial and operational state of the charity and to make key strategic decisions. The Trustees have carried out a thorough review of the strategic and operational risks faced by the charity, and annually monitor the measures in place to manage exposure to these risks. The Trustees delegate day-to-day operation of the charity to the Managing Director and management team.

Southbank Sinfonia was previously registered with Companies House under the name The Southbank Sinfonia until 12 July 2016, although it has always traded under the name Southbank Sinfonia. The name Southbank Sinfonia is used throughout this report, as in previous years. The Trustees' report also acts as the Directors' report for the purposes of company law.

### Registered Office

St John's Waterloo  
Waterloo Road  
London  
SE1 8TY

### Music Director & Principal Conductor

Simon Over

### Managing Director

William Norris

### Finance Director

Sarah Whitston

### Development Director

Claire Goddard

### Communications Director

Matt Belcher (until 31 July 2019)

### Company Secretary

Sarah Whitston

### Bankers

Barclays Bank  
2 Victoria Street  
London  
SW1H 0ND

### Investment Managers

EFG Private Bank Limited  
Leconfield House  
Curzon Street  
London  
W1J 5JB

### Solicitors

Withers LLP  
16 Old Bailey  
London  
EC4M 7EG

### Independent Auditors

Arnold Hill & Co LLP  
Craven House  
16 Northumberland Avenue  
London  
WC2N 5AP

## TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

### OBJECTIVES AND ACTIVITIES

Southbank Sinfonia is an orchestra of young professionals described by *The Times* as 'a dashing ensemble who play with exhilarating fizz, exactness and stamina'. Each year, the orchestra welcomes some of the world's most promising graduate musicians to embark on its renowned fellowship. More than just an orchestra, this is a community where young talents can find their own creative strengths, fulfil personal goals, make lasting contacts, and take their musicianship to new frontiers.

The charitable objectives of Southbank Sinfonia encompass:

1. Relieving unemployment particularly among young musicians
2. Educating the public in the art of music principally through orchestral projects and performances
3. Relieving poverty among young musicians including the provision of grants and bursaries

Southbank Sinfonia aims to achieve these as follows: through an annual audition and interview process, 33 outstanding graduate players are selected from over 350 applicants to undertake an intensive nine-month programme of performance and professional development. Every place in this fellowship is free, and bursaries are awarded to everyone granted a place, contributing significantly towards living expenses, allowing musicians to benefit whatever their financial background. Players are given unparalleled opportunities to perform and gain crucial experience in orchestral repertoire, chamber music, opera, dance and theatre. Alongside this, a range of activities embracing leadership and teamwork provide each musician with the skills they need to pioneer their own future musical ventures.

Integral to the programme are partnerships with organisations including the Royal Opera House, National Theatre, Academy of St Martin in the Fields, In Harmony Lambeth and acclaimed artists such as Patrons Vladimir Ashkenazy and Edward Gardner. Performing side-by-side with world-class artists gives Southbank Sinfonia's musicians first-hand experience of what it takes to be a professional today.

Musicians who have completed the fellowship now play in leading orchestras worldwide. From the Philharmonia to the Hong Kong Philharmonic, reflecting the positive impact that Southbank Sinfonia has made upon their progress. Former members return regularly to enable the orchestra to undertake larger-scale symphonic repertoire, share their insights with those following in their footsteps, and undertake distinctive projects of their own.

Since the orchestra's launch in 2002, it has generated well over £5 million that has gone directly into young musicians' pockets, transforming their livelihood through the bursaries granted to all those on the fellowship and full fees provided in all consequent opportunities. Few other institutions worldwide give young artists such a footing.

The Trustees have had regard to Charity Commission guidance on public benefit. The orchestra publicly delivers close to a hundred broad-ranging, high-level performances annually. The orchestra is based at St John's Waterloo, in the heart of London, where its regular free Rush Hour Concerts allow people to experience classical music without price being a barrier. By virtue of their youth, energy and excellence, Southbank Sinfonia players not only bring fresh resonance to the stage but are also ideally placed to act as role models who inspire many younger musicians in projects on London's Southbank and further afield.

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To make all this happen, a dedicated management team works across all areas of planning, operations, fundraising, communications, and education, reporting regularly to Trustees on progress. The charity welcomes occasional volunteers such as students and graduates as paid interns, eager to gain experience in music administration, and supporters of the orchestra willing to lend their time where they can.

Southbank Sinfonia strives for all projects to be rewarding for those taking part. All players are encouraged to share their views on each initiative at any time, via twice yearly online surveys, and in dedicated individual progress meetings with staff. In fortnightly team meetings, weekly Leadership Team meetings, and in quarterly Trustee meetings, the organisation collectively reflects on what has been learned from each activity and resolutions are made for the future.

Receiving no public funding, the orchestra undertakes extensive fundraising outlined in the Financial Review that follows. We are consequently indebted to many individual donors, trusts and foundations, and corporate supporters who believe in the potential of the orchestra's young musicians. Southbank Sinfonia has one wholly-owned trading subsidiary company, Southbank Sinfonia Ventures Limited, through which a range of engagements is undertaken involving players who have completed the fellowship. The virtue of this is two-fold: it provides valued further experience and income for these musicians as they establish their careers; meanwhile, all profits generated by Southbank Sinfonia Ventures Limited are donated by Gift Aid to Southbank Sinfonia. The results of this subsidiary company are consolidated into those of the charity within this document.

Southbank Sinfonia also benefits from the existence of its 'sister' charity, Southbank Sinfonia Foundation ('the Foundation'), registered charity no. 1169535. The Foundation, incorporated in 2016 under entirely separate governance arrangements to Southbank Sinfonia, was created to ensure the orchestra may reach further significant milestones, helping transform young musicians' prospects long into the future. It is hoped the Foundation – by accruing further major gifts and potential legacies – may underpin and fortify what the orchestra is able to achieve in the long term, safeguarding the vital role it has come to play in Britain's musical ecology. The charitable objects of the Foundation are closely aligned to those of Southbank Sinfonia. The Foundation's funds are managed by a separate body of Trustees to the main charity and are therefore not freely accessible to Southbank Sinfonia, which must submit applications for consideration by the Foundation Trustees if it wishes to access the funds for significant strategic development activity. The results of the Foundation are therefore not consolidated into those of the charity within this document.

## ACHIEVEMENTS AND PERFORMANCE

2019 was a notable year for Southbank Sinfonia, seeing us cement and grow partnerships with artists, venues and other artistic organisations, as well as start some entirely new projects and relationships.

Across the year, the fellowship gave over 50 performances, with many more by ensembles formed from our Alumni, notably appearing across the country playing for *Peppa Pig: My First Concert*.

### Artists and Repertoire

During the year we were pleased to work with a distinguished array of guest conductors alongside our titled artists, Simon Over, Eugene Lee, Rebecca Miller and David Corkhill. Of particular note were visits from Jessica Cottis, James Hendry, Sian Edwards, Christian Curnyn and Gabor Takács-Nagy amongst many others.

With our aim being to give our musicians as rounded an experience as possible, repertoire for the year ranged from period performances of music by Geminiani and Rameau, through to cutting edge contemporary with the world premiere of Nicole Lizée's *8 Bit Noir*. Classical repertoire featured heavily, with performances of Beethoven's *Symphony No.2* and Haydn's *Symphony No.104*, and we continued our mission to address the gender balance of our industry with music by female composers including Gabriela Lena Frank, Ruth Crawford Seger, Emelie Meyer and Dorothy Howell, and conductors including Holly Mathieson, Karin Hendrikson and Chloé van Soeterstède.

### #ConcertLab

Our #ConcertLab series, which seeks to ask questions of and redefine the concert experience, returned for a third year. We experimented with a Jools Holland style evening of chamber music, with staging devised by the musicians themselves, an 'exploded' performance of Beethoven's *Symphony No.3* at Oval Space, with the audience free to wander among the musicians, and an evening at Mail Rail mixing music and spoken word, with readings from correspondence between British composers of the 20<sup>th</sup> century. The #ConcertLab year culminated in its most ambitious undertaking to date, FLUX. Taking place at Hackney's Round Chapel the performance fused movement and music and was the result of a two-week development process devised by Movement Director, Imogen Knight.

### Partnerships

Southbank Sinfonia and its musicians benefit from a number of truly outstanding partnerships. 2019 saw the continuation of collaborations with the Royal Opera House, Academy of St Martin in the Fields, British Youth Opera, London Handel Festival as well as with In Harmony Lambeth, with us appearing at their 10<sup>th</sup> anniversary concert at the Queen Elizabeth Hall. Our new partnership with Wigmore Hall Learning team continued into a second year and we were also thrilled to start a brand new partnership with the BBC, Southbank Centre and conductor André de Ridder, giving the inaugural performance of the new series *Unclassified Live* at the Queen Elizabeth Hall, which was subsequently broadcast 'as live' by BBC Radio 3 in October and repeated in December.

### BBC Proms

A highlight of the year was our debut performance at the BBC Proms at the Royal Albert Hall. This was part of 'The Lost Words' Prom, a dramatic staging of the book by Jackie Morris and Robert Macfarlane. With live visuals, a choir, actors, soloists including Stephanie Childress and much more, this was a huge and thrilling undertaking and something we were very proud to be a part of. Conducted by Jessica Cottis, it was broadcast live on BBC Radio 3 and played to a packed Royal Albert Hall.

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### Other Highlights

- Performances of Elgar's *The Dream of Gerontius* at Coventry and Westminster Cathedrals
- Chamber Music staged across three 'Mini Concerts' at Southbank Centre's Purcell Room
- The Bi-annual Peter Hulsén Orchestral Song Award, this year won by Chloe Morgan.
- Our debut at Kings Place with an all-strings programme directed by Eugene Lee

### Family Concerts

2019 saw our Family Concerts settle into their new home at Southbank Centre's Queen Elizabeth Hall, a partnership with Southbank Centre which is working extremely well, with close to capacity audiences for both performances, which are devised and presented by our musicians.

### Artist Development

Our intensive programme of artist development activity is central to what we do and to ensuring that our musicians leave Southbank Sinfonia prepared for the demands made of a musician in the 21<sup>st</sup> century. The programme of development activity is varied, and this year included a residential course at the Purcell School, a public speaking workshop with Patricia Hodge, health and wellbeing activities, and workshops with the Wigmore Hall Learning team focussing on working with early years and those living with dementia. Added to this we participated in education and outreach activities with partner organisations such as In Harmony Lambeth and Cardinal Vaughan Memorial School. New for 2020 we also started a new partnership with Claire Bennett of Sport and Beyond, using techniques from her years as a world-level fencer and relating them to our musicians across two workshops.

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### FUTURE PLANS

Our 2020 Orchestra was successful recruited during the summer of 2019, with changes being made to the recruitment process borne from our participation in the Arts Marketing Association's *Breakthrough* programme which enabled organisations to focus on issues of Diversity, Equality and Inclusion.

The season will see us move temporarily from our home at St Johns Waterloo and relocate to Conway Hall and other venues, with several performances at Southbank Centre, a return to Kings Place, as well as our debut at Cambridge's Corn Exchange.

Artists we will work with include return appearances from Christian Curnyn, Gabor Takács-Nagy, Sian Edwards and Jessica Cottis, and debut appearances from Karen Kamensek, Rebecca Tong and violinist Thomas Gould.

Artistic plans for the year include a new partnership with Nonclassical, which will see us give four world premieres from their Associate Composers, plus the return of *Unclassified* in November at Southbank Centre with conductor André de Ridder.

We are thrilled to be working with renowned conductor Marin Alsop too, as the orchestra this year for her Women's Conducting Masterclass at the Royal Festival Hall.

We of course return to our festival in Anghiari, Italy and are also excited to return to William Walton's home on the Isle of Ischia with a performance featuring pianist Tom Poster.

The year will be capped with a world premiere of a new guitar concerto by jazz legend Guy Barker, as part of the EFG London Jazz Festival.

#### COVID-19

As a result of the global COVID-19 pandemic, Southbank Sinfonia operations were suspended from Sunday 15 March and have not, at the time of writing, resumed.

Consequently, all orchestral activity, including concerts, rehearsals, workshops and outreach and education work, is cancelled, bar a small number of online artist development events and activity associated with generating digital content. The situation is being continuously monitored with a view to resuming activity as soon as it is safe to do so.

In the meantime, we maintain frequent contact with musicians and intend to offer all of them an automatic place in our 2021 Orchestra. We are working to reschedule as much of the aforementioned planned 2020 activity as possible to maintain further continuity.

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### FINANCIAL REVIEW

In 2019, 86% of Southbank Sinfonia's total income was spent on its charitable activities.

Southbank Sinfonia's expenditure towards achieving the charitable aims increased by £21,131 to £938,376 (2018: £917,245), reflecting unique performance opportunities for the 2019 fellowship such as the 2019 BBC Proms, #ConcertLab Flux and the world premiere of Nicole Lizée's piece *8-bit Noir* participating in BBC Radio 3's new Unclassified Live concert series.

The charity continued to draw benefit from the commercial activity of wholly-owned trading subsidiary company Southbank Sinfonia Ventures Limited, the results of which are consolidated into these accounts. This exists to generate income for the benefit of the parent charity, by fielding musicians for commercial performances and managing corporate sponsorship arrangements; the turnover in the trading subsidiary decreased in 2019 to £343,836 (2018: £387,054), but this commercial activity generated a surplus of £138,849 (2018: £116,289) for the benefit of the core charitable activity. Much of the work undertaken by Southbank Sinfonia Ventures Limited provides valuable paid performance opportunities for players who have completed Southbank Sinfonia's annual fellowship, indirectly providing further benefit towards the organisation's charitable objects (see page 2).

Southbank Sinfonia continues to rely strongly on much-appreciated voluntary contributions towards its charitable activities from trusts and foundations, a growing family of enthusiastic and active individual supporters, and a small number of corporate donors and sponsors, who together provided 71% of the charity's funding in 2019 (2018: 75%). The surplus generated by the commercial activities of Southbank Sinfonia Ventures Limited, together with the moderate income from charitable activities provided 26.5% of the charity's income (2018: 22%), with the remaining 2.5% generated by our listed investments (2018: 3%). The investment portfolio generated an improved cash return in 2019 and made a healthy unrealised investment gain compared to previous years.

In 2017, Trustees instructed the charity's investment managers to implement an ethical investment policy, to reduce the possibility of investing in entities whose values and activities are contrary to the charitable objects of the organisation.

In 2019, though overall expenditure decreased by £23,760 to £1,280,267 (2018: £1,304,027), total income decreased by £148,259 to £1,086,896 (2018: £1,235,155), and Southbank Sinfonia incurred a loss of £171,474 (2018: £106,701 loss).

This resulted in a reduction in total funds to £619,177, of which £434,487 is unrestricted reserves and £184,690 is restricted reserves for charitable work in 2020 and beyond.

Southbank Sinfonia spent down the portion of its restricted funds which were held for 2019 projects, including grants from Cockayne – Grants for the Arts and the London Community Foundation towards our major #ConcertLab events, and from The Humphrey Richardson Taylor Charitable Trust, and The Steel Charitable Trust towards 2019 bursaries and artist development. The funds restricted for 2019 included some large-scale projects not being repeated in 2020, therefore the total of restricted income funds, not available for the general purposes of the charity, at year end has decreased to £184,690 (2018: £219,052).

Trustees remain grateful to Dr Elman Poole for his support which will enable the orchestra to fund bursaries for up to two Scottish musicians a year for several years hence. Southbank Sinfonia also gratefully acknowledges the renewed grants received in 2019 from The Humphrey Richardson Taylor Charitable Trust, and The Steel Charitable Trust towards 2020 work.

Additionally, in 2019, Southbank Sinfonia received grants totalling £37,374 from Southbank Sinfonia Foundation, (2018: £23,672), towards various projects all intended to further the scope and profile of the orchestra beyond its regular work, including the biannual Peter Hulsen Orchestral Song Award resulting in the appointment of a new Associate Artist.

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In 2018, following a review of our Adopt-A-Player scheme and to better reflect the deliberate donor support of specific individual players, it was decided that when a donation of a bursary amount was received, it should be treated as restricted income. By ring-fencing these bursary donations in this manner, the Trustees feel that the intention to support the players with whom the donors are 'paired' is truly reflected and respected.

As Adopt-A-Player bursary donations are restricted, Southbank Sinfonia's core commitment to its fellowship musicians is supported by restricted reserves. The Trustees have therefore calculated that the level of liquid unrestricted reserves held by the charity should optimally be in the region of £150,000-£200,000. This represents approximately 3 months of activity and the costs of short-term artistic commitments. This is specifically to enable the organisation to manage the on-going risks of cash flow volatility and challenging fundraising targets in the absence of receipt of any statutory funding.

To safeguard the future of the organisation and mindful of the reserves policy, at the end of 2019 Southbank Sinfonia holds the following designated funds towards future planned expenditure:

- the 'Joan Coull Soloists Fund', with a balance of £18,953 at year end, which exists thanks to a generous legacy gift received in 2016 to enable the orchestra to work with singers and concerto soloists over a period of years. This is expected to be spent down fully in 2020.
- a 'Fixed Assets and Investments Fund' of £49,820 which represents the net book value of unrestricted fixed assets and unrestricted unlisted investments, which are not available as liquid funds for the charity, and which will cover the cost of future depreciation of these assets.
- the £231,605 transferred balance of the endowment fund, which is now held as 2 designated funds.

Since 2008, Southbank Sinfonia had been fortunate to draw benefit from a held expendable endowment fund, which existed as the result of a donation of £250,000 from the Foundation for Sport and the Arts (FSA). For 10 years, this provided an expendable endowment with the restriction that both the capital, if spent, and any generated income must be used towards funding bursaries for British members of the orchestra. After this period, considering the FSA's closure in 2012 and the continued challenging fundraising climate, the £231,605 balance of the Expendable Endowment Fund was transferred from restricted funds to unrestricted designated funds to better help secure Southbank Sinfonia's future. These funds are designated:

- £100,000 to support Southbank Sinfonia through the unprecedented challenges of the 2020 Covid-19 pandemic crisis.
- £131,605 to help manage the cashflow of player bursaries, in line with the original intentions of the FSA.

Consequently, the level of liquid unrestricted reserves available for management of risks currently sits at £134,109, £15,891 below the target reserves range.

The principal financial risks and uncertainties facing the charity relate to inherent reliance on voluntary donations, and the resulting cash flow impact. The subsidiary is also subject to cash flow risks.

This is particularly true when considering the continuing and rapidly evolving impact of the COVID-19 pandemic, which has forced the postponement of a large proportion of the planned 2020 activity. The Trustees have proactively managed and designated portions of the Charity's reserves so that these remain accessible as required to bridge any fundraising shortfalls or cover emergency costs. Therefore, Trustees are confident that Southbank Sinfonia will be able to resume as much of its regular programme as possible in 2021.

The Trustees also maintain a comprehensive risk register, which sets out the steps taken to mitigate such risks, and the management of any critical situation which could foreseeably occur as a result of these risks. These actions include creating detailed monthly management accounts, including cash flow forecasts for both the charity and subsidiary, strong communication between the finance and fundraising teams, and the setting of prudent fundraising targets during the annual budgeting process.

## SOUTHBANK SINFONIA

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)  
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### STRUCTURE, GOVERNANCE AND MANAGEMENT

Southbank Sinfonia is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 6 December 2001 and amended 16 December 2015). It is registered as a charity with the Charity Commission. The Trustees also act as Directors for the purposes of company law and hold no share capital. There are currently three members and the liability of each in the event of a winding-up is limited to £10. The entity is governed by a board of Trustees. The Trustees determine the long-term direction and strategy of the organisation and delegate the day to day running to the Managing Director and management team. This division of responsibilities is recorded in a reservation of authority document. As noted above, the Trustees have carried out a thorough review of the strategic and operational risks faced by the charity, and annually monitor the measures in place to manage exposure to these risks. The procedures for appointing new Trustees and the reference and administrative details can be found on page 3 of this document.

Remuneration of key management personnel is set in the context of the charity's remuneration policy. The Chair of the board, in consultation with other Trustees as appropriate, is responsible for setting the remuneration of the Managing Director and Music Director. The Managing Director is responsible for setting the remuneration of the Finance Director, Development Director, Communications Director and all other staff. Consideration is given to commensurate jobs in arts charities of a similar scale, and overall budgetary context when setting levels of pay.

The results of the wholly owned trading subsidiary Southbank Sinfonia Ventures Limited are consolidated within these financial statements. Southbank Sinfonia Ventures Limited is a company limited by shares and has four directors, two of whom are also directors of Southbank Sinfonia.

A thorough Board Review was undertaken in February 2020. This ensures that the charity's governance arrangements take into account the recommendations of best practice identified by the Charity Governance Code, and to establish any areas for further development.

## RESPONSIBILITIES OF THE TRUSTEES


The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including FRS 102 the "Financial Reporting Standard applicable in the UK and Ireland".

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for the prevention and detection of fraud and other irregularities.

By order of the Trustees.

A handwritten signature in dark ink, appearing to read 'Duncan Sutherland', is written over a light grey circular stamp.

Duncan Sutherland  
**Chairman**

**Date:** 05/06/2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHBANK SINFONIA**

### **OPINION**

We have audited the financial statements of Southbank Sinfonia (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2019 set out on pages 14 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **EMPHASIS OF MATTER - GOING CONCERN**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the charity's ability to continue as a going concern. The rapid and fluid development of the COVID-19 virus and its impact on the global economy and businesses around the world (as explained in note 1 to the financial statements), indicate the existence of uncertainty which may cast doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charitable company was unable to continue as a going concern.

Our opinion is not qualified in this respect.

### **OTHER INFORMATION**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially

## **SOUTHBANK SINFONIA**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHBANK SINFONIA FOR THE YEAR ENDED 31 DECEMBER 2019**

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF THE TRUSTEES**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **OTHER MATTERS WHICH WE ARE REQUIRED TO ADDRESS**

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHBANK SINFONIA FOR THE YEAR ENDED 31 DECEMBER 2019

Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act and Chapter 3 of section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.

*S. Clegg*

**Stephanie Clegg (Senior Statutory Auditor)**  
**For and on behalf of Arnold Hill & Co LLP**

**Date: 11/6/20**

**Chartered Accountants**  
**Statutory Auditor**

Craven House  
16 Northumberland Avenue  
London  
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United Kingdom

# SOUTHBANK SINFONIA

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2019

## AUDITED FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds	Restricted Funds	Expendable Endowment Fund	Total funds 31-Dec-2019	Total funds 31-Dec-2018 (note 5)
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	205,079	428,857	-	633,936	725,746
Other trading activities						
Trading subsidiary company	3	343,836	-	-	343,836	387,054
Investments	6	9,054	2,421	9,487	20,962	24,127
Charitable activities						
Ticket sales		32,161	-	-	32,161	39,459
Performance and project income		56,001	-	-	56,001	58,769
TOTAL INCOMING RESOURCES		<u>646,131</u>	<u>431,278</u>	<u>9,487</u>	<u>1,086,896</u>	<u>1,235,155</u>
EXPENDITURE ON:						
Raising funds						
Costs of generating voluntary income	9	128,798	18,107	-	146,905	124,517
Trading subsidiary company	3	194,986	-	-	194,986	262,265
Charitable activities	7/8	471,771	449,205	17,400	938,376	917,245
TOTAL RESOURCES EXPENDED		<u>795,555</u>	<u>467,312</u>	<u>17,400</u>	<u>1,280,267</u>	<u>1,304,027</u>
Net gains on investments	13b	10,619	1,672	9,606	21,897	(37,829)
NET INCOME/(EXPENDITURE)		<u>(138,805)</u>	<u>(34,362)</u>	<u>1,693</u>	<u>(171,474)</u>	<u>(106,701)</u>
Transfers between funds	19	231,605	-	(231,605)	-	-
NET MOVEMENT IN FUNDS FOR THE		<u>92,800</u>	<u>(34,362)</u>	<u>(229,912)</u>	<u>(171,474)</u>	<u>(106,701)</u>
Fund balances brought forward	5	341,687	219,052	229,912	790,651	897,352
FUND BALANCE AS AT 31 DECEMBER 2019		<u>434,487</u>	<u>184,690</u>	<u>-</u>	<u>619,177</u>	<u>790,651</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

There is no liability for corporation tax on activities.

The notes on pages 17 to 27 form part of these financial statements.

# SOUTHBANK SINFONIA

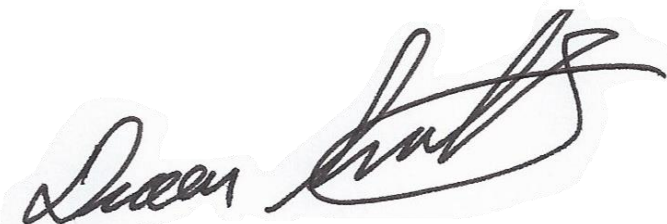
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Group 2019 £	Charity 2019 £	Group 2018 (as restated) £	Charity 2018 (as restated) £
<b>FIXED ASSETS</b>					
Tangible assets	12	27,828	27,828	32,362	32,362
Unlisted investments	13	23,125	23,225	23,125	23,225
Listed investments	13	461,059	461,059	502,930	502,930
Cash held as part of investment portfolio	13a	8,703	8,703	10,663	10,663
		<u>520,715</u>	<u>520,815</u>	<u>569,080</u>	<u>569,180</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	15	129,202	122,004	97,036	143,503
Cash at bank and in hand	14	63,666	58,151	212,801	156,144
		<u>192,868</u>	<u>180,155</u>	<u>309,837</u>	<u>299,647</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	(94,406)	(81,793)	(88,266)	(78,176)
<b>NET CURRENT ASSETS</b>		<u>98,462</u>	<u>98,362</u>	<u>221,571</u>	<u>221,471</u>
<b>NET ASSETS</b>		<u>619,177</u>	<u>619,177</u>	<u>790,651</u>	<u>790,651</u>
Represented by:					
<b>Unrestricted Funds</b>					
General fund	20	134,111	134,111	247,146	247,146
Designated fund	20	300,376	300,376	94,541	94,541
<b>Restricted Funds</b>					
Restricted income fund	21	184,690	184,690	219,052	219,052
Expendable endowment fund	21	-	-	229,912	229,912
<b>TOTAL FUNDS</b>		<u>619,177</u>	<u>619,177</u>	<u>790,651</u>	<u>790,651</u>

The notes on pages 17 to 27 form part of these financial statements.

These financial statements were approved by the Directors,  
authorised for issue on 05/06/2020,  
and are signed on their behalf by:



Duncan Sutherland  
**Chairman**

Company Registration Number 04335616

## CONSOLIDATED STATEMENT OF CASHFLOWS

	Group 2019	Charity 2019	Group 2018 (as restated)	Charity 2018 (as restated)
	£	£	£	£
<b>Cash flows from operating activities</b>				
Net income for the reporting period, as per the Statement of Financial Activities	(171,474)	(171,474)	(106,701)	(106,701)
<b>Adjustments for:</b>				
Depreciation charges	8,394	8,394	12,807	12,768
Unrealised (Gain)/Loss on investments	(13,929)	(13,929)	34,232	34,232
Dividends and interest from investments	(21,100)	(20,962)	(24,282)	(24,127)
(Gain)/Loss on sale of fixed asset investments	(7,967)	(7,967)	3,596	3,596
(Increase)/Decrease in trade & other debtors	(32,166)	21,499	(4,047)	(13,283)
(Decrease)/Increase in trade & other creditors	(38,893)	(41,416)	(40,792)	2,558
<b>Net cash used in operating activities</b>	<b>(277,135)</b>	<b>(225,855)</b>	<b>(125,187)</b>	<b>(90,957)</b>
<b>Cash flows from investing activities</b>				
Dividends and interest from investments	21,100	20,962	24,283	24,128
Purchase of fixed assets	(3,860)	(3,860)	(3,485)	(3,485)
Proceeds from sale of investments	65,729	65,729	-	-
Purchase of investments	-	-	(70,884)	(70,884)
<b>Net cash provided by/(used in) investment activities</b>	<b>82,969</b>	<b>82,831</b>	<b>(50,086)</b>	<b>(50,241)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(194,166)</b>	<b>(143,024)</b>	<b>(175,273)</b>	<b>(141,198)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>212,801</b>	<b>156,144</b>	<b>338,184</b>	<b>247,452</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>18,635</b>	<b>13,120</b>	<b>162,911</b>	<b>106,254</b>
<b>Cash and cash equivalents comprise:</b>				
<b>Cash at bank and in hand</b>	<b>63,666</b>	<b>58,151</b>	<b>212,801</b>	<b>156,144</b>
<b>Bank overdraft</b>	<b>(45,031)</b>	<b>(45,031)</b>	<b>(49,890)</b>	<b>(49,890)</b>
	<b>18,635</b>	<b>13,120</b>	<b>162,911</b>	<b>106,254</b>
<b>Analysis of Changes in Net Debt</b>				
	<b>At the start of the year £</b>	<b>Cashflows £</b>	<b>At the end of the year £</b>	
Cash and cash equivalents	212,801	(149,135)	63,666	
Overdraft facility repayable on demand	(49,890)	4,859	(45,031)	
Acquisition/disposal of subsidiaries	-	-	-	
New finance leases	-	-	-	
Fair value movements	-	-	-	
Foreign exchange movements	-	-	-	
Other non-cash changes	-	-	-	
	<b>162,911</b>	<b>(144,276)</b>	<b>18,635</b>	

There were no cash flows from financing activities in the reporting period.  
The notes on pages 17 to 27 form part of these financial statements.

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Southbank Sinfonia meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared under the historical cost convention modified to include certain financial instruments at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Listed investments are held at fair value.

The financial statements are prepared in sterling which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

#### 1.2 Going concern

These financial statements have been prepared on the going concern basis. In making this assessment, the charity's Trustees have considered all available information about the future for at least, but not limited to, 12 months from the date the financial statements are approved. There are no material uncertainties regarding the charity's ability to continue. The charity produces detailed cashflow forecasts and budgets, and has a small number of multi-year pledges, which provide certainty over future revenue streams.

Additionally, COVID-19 is a developing situation and as at the date of approval of these financial statements, the assessment of this situation will need continued attention and will evolve over time. In the view of the trustees, COVID-19 is considered to be a non-adjusting event after the reporting year and no adjustment is required to be made in the financial statements for the year ended 31 December 2019 as a result. All assets and liabilities are expected to be recovered in the amounts set out in the balance sheet at the reporting date.

#### 1.3 Significant judgements and estimations

The Trustees have given consideration to the significant judgements and estimates made in compiling the financial statements. The Trustees do not consider estimates or judgements made to be material to the financial statements. Accruals are made when activity has occurred for which a cash outflow is expected, but for which no invoice has been received. Estimates are based on prior experience and knowledge.

#### 1.4 Statement of cash flows

The entity has prepared a statement of cash flows using the indirect method and this is presented on page 16 of the financial statements.

#### 1.5 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash held by investment managers is included in fixed asset investments.

#### 1.6 Pensions

Southbank Sinfonia provides a pension scheme for employees, which is run by NEST. It is a defined contribution scheme, open to all employees, and meets the requirements of auto-enrolment. The employer contributions are recognised in expenditure for the year, and there are no liabilities resulting from the scheme.

### **1.7 Financial instruments**

As per the definition of FRS 102, the charity makes use of only basic financial instruments which are initially recognised at transaction value and subsequently measured at settlement value. Financial instruments held by the entity comprise debtors, creditors and cash.

### **1.8 Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the charity and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. The financial statements consolidate the results of the charity and its wholly-owned subsidiary Southbank Sinfonia Ventures Limited on a line-by-line basis. A separate Statement of Financial Activities, and Income and Expenditure Account, for the charity itself are not presented because the charity has taken advantage of the exemptions afforded by FRS 102. The individual results for the subsidiary company are included in note 3 and for the charity in note 4 below.

### **1.9 Incoming resources**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Performance income is recognised at the time the performance takes place.

Legacy income is recognised at the earliest date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

### **1.10 Resources expended**

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Support costs are those incurred directly in support of expenditure on the objects of the charity and includes salary costs and other costs of running the offices at St John's Church, Waterloo. Support costs also incorporate governance costs. Where possible, costs are directly allocated to activities. Remaining costs are apportioned to the charitable activities based on staff time or floor area, as appropriate.

### **1.11 Fund accounting**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor.

### **1.12 Restriction of "Adopt A Player" scheme bursary donations**

Donations of the annual bursary amount as part of the "Adopt a Player" scheme are treated as restricted funds to reflect the donors' intentions in personally supporting individual players.

Any excess donation over and above the bursary amount will be treated as unrestricted funds to support the further costs of the charitable objects which enable musicians to take their place each year in Southbank Sinfonia.

### **1.13 Fixed asset investments**

Fixed asset investments in subsidiary companies are stated at cost less amounts provided for any permanent diminution in value.

Unlisted investments are included at fair value as at the date of donation less any impairment of value.

Listed investments are held at their fair value at the balance sheet date.

### **1.14 Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

Office equipment	2 – 3 years
Fixtures and fittings	4 years
Instruments	5 years
Steinway piano	10 years
Performance lighting	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

### **1.15 Taxation**

No provision has been made for taxation as the entity is a public benefit entity which is exempt from UK direct taxation on its charitable activities. The trading subsidiary is subject to tax at the small companies rate, and any tax suffered is shown as a cost of generating funds within the subsidiary.

### **1.16 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### **1.17 Significant judgements and estimates**

In the Trustees' opinion there have been no significant judgements and estimates made in compiling the financial statements.

## 2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Legacies	4,654	-	4,654	7,000
Donations	200,425	428,857	629,282	718,746
	<b>205,079</b>	<b>428,857</b>	<b>633,936</b>	<b>725,746</b>

## 3 INCOMING RESOURCES FROM OTHER TRADING ACTIVITIES

The wholly owned trading subsidiary Southbank Sinfonia Ventures Limited, which is incorporated in England (Company Number 05737116) pays all its profits to the charity by Gift Aid. There are no retained profits in the subsidiary. Southbank Sinfonia Ventures Limited performs orchestral and chamber music. Southbank Sinfonia owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2019 £	2018 £
Turnover	343,836	387,054
Cost of sales & administration expenses	(194,986)	(262,265)
Net profit	148,850	124,789
Intragroup recharges	(10,000)	(8,500)
Amount gifted to charity under Gift Aid	(138,850)	(116,289)
Retained in subsidiary	-	-
Aggregate share capital and reserves	<b>100</b>	<b>100</b>

## 4 THE SUMMARY FINANCIAL PERFORMANCE OF THE CHARITY ALONE IS:

	2019 £	2018 £
Income	753,060	856,601
Gift Aid from subsidiary company	138,850	116,289
	891,910	972,890
Expenditure on charitable activities	(1,085,281)	(1,041,762)
Net income before investment movement	(193,371)	(68,872)
Investment movement	21,897	(37,829)
Net income	(171,474)	(106,701)
Total funds brought forward	790,651	897,352
Total funds carried forward	<b>619,177</b>	<b>790,651</b>
Represented by:		
Restricted income funds	184,690	448,964
Unrestricted income funds	434,487	341,687
	<b>619,177</b>	<b>790,651</b>

**SOUTHBANK SINFONIA**  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

**5 FULL STATEMENT OF FINANCIAL ACTIVITIES 2018 (FUND ACCOUNTING)**

	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	Total funds 31-Dec-2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
Donations and legacies	418,174	307,572	-	725,746
Other trading activities				
Trading subsidiary company	387,054	-	-	387,054
Investments	11,456	1,772	10,899	24,127
Charitable activities				
Ticket sales	39,459	-	-	39,459
Performance and project income	58,769	-	-	58,769
<b>TOTAL INCOMING RESOURCES</b>	<b>914,912</b>	<b>309,344</b>	<b>10,899</b>	<b>1,235,155</b>
<b>EXPENDITURE ON:</b>				
Raising Funds				
Costs of generating voluntary income	123,453	1,064	-	124,517
Trading subsidiary company	262,265	-	-	262,265
Charitable activities	619,556	286,790	10,899	917,245
<b>TOTAL RESOURCES EXPENDED</b>	<b>1,005,274</b>	<b>287,854</b>	<b>10,899</b>	<b>1,304,027</b>
Net gains on investments	(17,340)	(2,764)	(17,725)	(37,829)
<b>NET INCOME/(EXPENDITURE)</b>	<b>(107,702)</b>	<b>18,726</b>	<b>(17,725)</b>	<b>(106,701)</b>
Transfers between funds	-	-	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>(107,702)</b>	<b>18,726</b>	<b>(17,725)</b>	<b>(106,701)</b>
Fund balances brought forward	449,389	200,326	247,637	897,352
<b>FUND BALANCE AS AT 31 DECEMBER 2018</b>	<b>341,687</b>	<b>219,052</b>	<b>229,912</b>	<b>790,651</b>

**6 INVESTMENT INCOME**

Charity	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	2019 £	2018 £
Bank interest receivable	116	-	-	116	342
Income from investments	8,938	2,421	9,487	20,846	23,785
	<b>9,054</b>	<b>2,421</b>	<b>9,487</b>	<b>20,962</b>	<b>24,127</b>

**7 CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Direct Costs £	Staff Costs £	Support Costs £	2019 £	2018 £
Bursaries to relieve students of poverty	262,147	29,734	10,886	302,767	308,494
Performance of orchestral music	179,228	136,036	49,805	365,069	339,103
Education and training	93,295	129,744	47,501	270,540	269,648
	<b>534,670</b>	<b>295,514</b>	<b>108,192</b>	<b>938,376</b>	<b>917,245</b>

## 8 CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	2019 £	2018 £
Bursaries to relieve students of poverty	531	284,836	17,400	302,767	308,494
Performance of orchestral music	239,449	125,620	-	365,069	339,103
Education and training	231,791	38,749	-	270,540	269,648
	<b>471,771</b>	<b>449,205</b>	<b>17,400</b>	<b>938,376</b>	<b>917,245</b>

## 9 COSTS OF GENERATING VOLUNTARY INCOME

	2019 £	2018 £
Direct costs	19,108	15,332
Staff costs	93,548	73,510
Support costs	34,249	35,675
	<b>146,905</b>	<b>124,517</b>

## 10 SUPPORT COSTS

	2019 £	2018 £
Governance	42,632	38,186
Salaries	58,297	67,651
Marketing & publicity	624	1,449
Rent	12,356	15,796
Office/misc	14,776	16,871
Bank charges	720	915
Insurance	4,943	4,486
Professional fees	200	2,494
General travel & subsistence	2,390	3,172
Website development	409	8,811
Depreciation	5,094	3,880
	<b>142,441</b>	<b>163,711</b>

Governance costs include audit fees of £2,640 for the reporting period (2018: £2,640) and taxation services fees of £720 (2018: £720).

Fees of £450 (2018: £450) were paid by trading subsidiary Southbank Sinfonia Ventures Limited for taxation services.

Support costs (including governance) are apportioned among the three charitable activities and the cost of raising funds (notes 7 & 9). Governance costs are then separately identified as a distinct element of support costs in note 10.

Direct costs are allocated wherever possible. Remaining costs are apportioned on either the basis of staff time or numbers.

## 11 STAFF COSTS AND NUMBERS

	2019 £	2018 £
Group staff costs were as follows:		
Salaries and fees	433,188	395,273
Social security costs	39,833	35,915
Pension costs	12,260	6,851
	<b>485,281</b>	<b>438,039</b>

The average total head count of employees during the reporting period was 14 (2018: 14). This consisted of 11 full time employees, 1 full-time employee for a 6 month period and 2 part time employees. The estimated FTE is 12 (2018: 12).

Remuneration of £55,080 (2018: £54,180) was paid to S T Over, one of the Trustees, in his capacity as Music Director.

Mr S T Over received no remuneration for his role as a Trustee.

**SOUTHBANK SINFONIA**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Authority for payment in his role of Music Director is contained in paragraph 5(7) of the Articles of Association. Pension contributions of £1,515 (2018: £949) were paid for by the charity in relation to Mr S T Over.

While acting in the capacity of a Trustee, no person received remuneration or reimbursement of expenses in either the current or previous accounting periods.

Total remuneration for key management personnel - Managing Director, Finance & Administration Director, Development Director and Communications Director (up to August 2019) - in the reporting period was £193,181 (2018: £199,229) including employer pension contributions of £4,623 (2018: £3,141).

One employee (2018: none) had emoluments in the band £60,000-£75,000 in the current reporting period.

**12 TANGIBLE FIXED ASSETS**

Group	Office Equipment	Fixtures & Fittings	Instruments	Steinway Piano	Performance Lighting	Total
	£	£	£	£	£	£
COST:						
At 1 January 2019	27,133	5,021	22,660	45,982	21,155	121,951
Additions	3,860	-	-	-	-	3,860
Disposals	-	-	-	-	-	-
At 31 December 2019	30,993	5,021	22,660	45,982	21,155	125,811
DEPRECIATION:						
At 1 January 2019	21,019	4,558	22,360	20,497	21,155	89,589
Charge for the period	4,866	229	300	2,999	-	8,394
Disposals	-	-	-	-	-	-
At 31 December 2019	25,885	4,787	22,660	23,496	21,155	97,983
NET BOOK VALUE:						
At 31 December 2019	5,108	234	-	22,486	-	27,828
At 31 December 2018	6,114	463	300	25,485	-	32,362

Charity	Office Equipment	Fixtures & Fittings	Instruments	Steinway Piano	Performance Lighting	Total
	£	£	£	£	£	£
COST:						
At 1 January 2019	23,159	5,021	21,284	45,982	21,155	116,601
Additions	3,860	-	-	-	-	3,860
Disposals	-	-	-	-	-	-
At 31 December 2019	27,019	5,021	21,284	45,982	21,155	120,461
DEPRECIATION:						
At 1 January 2019	17,045	4,558	20,984	20,497	21,155	84,239
Charge for the period	4,866	229	300	2,999	-	8,394
Disposals	-	-	-	-	-	-
At 31 December 2019	21,911	4,787	21,284	23,496	21,155	92,633
NET BOOK VALUE:						
At 31 December 2019	5,108	234	-	22,486	-	27,828
At 31 December 2018	6,114	463	300	25,485	-	32,362

**13 FIXED ASSET INVESTMENT**

Charity	Investment in Subsidiary	Unlisted Investments	Listed Investments	Total	2018
	£	£	£	£	£
NBV					
At 1 January 2019	100	23,125	502,930	526,155	501,582
Additions	-	-	45,869	45,869	268,687
Disposals	-	-	(101,669)	(101,669)	(209,882)
Revaluations	-	-	13,929	13,929	(34,232)
At 31 December 2019	100	23,125	461,059	484,284	526,155

**13a** Capital cash is cash held for investment purposes within the Investment Portfolio managed by EFG.

Fluctuations in the balance held are primarily as a result of the timing of sales and purchases of investments; proceeds from disposals are reinvested in listed investments. Capital cash is therefore not considered part of working capital management of the organisation, and is held, as per the FRS 102 SORP as a fixed asset.

**13b** Net gains on investments include all realised and unrealised losses. Unrealised gains were £13,929 (2018: £34,232 unrealised loss). Realised gains on disposal of fixed asset investments were £7,967 (2018: £3,596 realised loss).

**13c** Group investments consist of only the listed, unlisted investments and capital cash held within the investment portfolio. The charity owns 100% of the ordinary share capital of Southbank Sinfonia Ventures Limited, a company incorporated in England and Wales. Its investment is 100 £1 ordinary shares. The results of Southbank Sinfonia Ventures Limited have been incorporated into these consolidated accounts. The individual results of Southbank Sinfonia Ventures Limited are shown in note 3 to these accounts. Unlisted investments relate to shares in Singletrack Systems Limited.

#### 14 CASH AND CASH EQUIVALENTS

	Group 2019	Charity 2019	Group 2018 (as restated)	Charity 2018 (as restated)
	£	£	£	£
Cash at bank and in hand	63,666	58,151	212,801	156,144
Total cash and cash equivalents	<b>63,666</b>	<b>58,151</b>	<b>212,801</b>	<b>156,144</b>

#### 15 DEBTORS

	Group 2019	Charity 2019	Group 2018	Charity 2018
	£	£	£	£
Performance income	1,180	1,180	660	660
Income tax recoverable	15,002	15,002	25,103	25,103
Orchestra tax relief due	52,000	52,000	49,426	49,426
Other debtors and prepayments	61,020	53,022	21,847	19,296
Amounts due from subsidiary	-	800	-	49,018
	<b>129,202</b>	<b>122,004</b>	<b>97,036</b>	<b>143,503</b>

#### 16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019	Charity 2019	Group 2018 (as restated)	Charity 2018 (as restated)
	£	£	£	£
Overdraft facility repayable on demand	45,031	45,031	49,890	49,890
Taxation and social security	11,580	11,580	10,228	10,228
Pension contributions	-	-	4,034	4,034
Student Loan Deductions Payable	186	186	89	89
Trade creditors	9,405	7,731	4,942	4,174
Other creditors and accruals	22,920	17,265	12,621	9,761
VAT liability	5,284	-	6,462	-
	<b>94,406</b>	<b>81,793</b>	<b>88,266</b>	<b>78,176</b>

#### 17 RELATED PARTY TRANSACTIONS

J M Berman and K P Verney, Trustees of Southbank Sinfonia throughout 2019, are also Trustees of The Vox Musica Trust. During the period the charity has received donations totalling £25,000 from The Vox Musica Trust (2018: £25,000). There were no outstanding balances at the period end (2018: £nil).

The unlisted investments held on the balance sheet are a donation of 62,500 shares, received in 2014 from R Dobson, Trustee of Southbank Sinfonia until December 2015. These shares were in Singletrack Systems Limited and were received on 6 October 2014; J M Berman, Trustee of Southbank Sinfonia throughout 2017, is Chairman. Singletrack Systems Limited has indicated that a fair market value of the shares around the time of the gift was 37p based on agreements reached with HMRC and reasonable discount rates.

In addition to the donations from The Vox Musica Trust, aggregate donations received from Trustees of the charity in the reporting period are £2,908 (2018: £19,434). There were no conditions attached to these donations.

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Related party transactions during the year between the Parent (Southbank Sinfonia) and Subsidiary (Southbank Sinfonia Ventures Limited) comprised £10,000 management charge levied by Southbank Sinfonia to Southbank Sinfonia Ventures Limited (2018: £8,500), of which no amounts were outstanding at year end.

Southbank Sinfonia Ventures Limited donates all profits to Southbank Sinfonia by Gift Aid. In 2019 these amounted to £138,850 (2018: £116,289). The net balance owed by Southbank Sinfonia Ventures Limited to Southbank Sinfonia at year end was £800 (2018: £49,018).

**18 COMPANY LIMITED BY GUARANTEE**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £10. There are currently 3 members.

**19 TRANSFER OF FUNDS**

In 2012, Southbank Sinfonia was fortunate to receive a donation from the Foundation for Sports and the Arts (FSA) before it was dissolved, which formed a restricted Expendable Endowment Fund to support the bursaries of British musicians.

At the end of 2019, in light of the closure of the FSA and the continued challenging fundraising climate, the £231,605 balance of the Expendable Endowment Fund was transferred from restricted funds to unrestricted designated funds to better help secure Southbank Sinfonia's future. Trustees decided to designate these funds to support player bursaries in line with the original intentions of the FSA.

**20 UNRESTRICTED INCOME FUNDS**

Charity	Balance at 01-Jan-19 £	Incoming Resources & Revaluation £	Outgoing Resources £	Transfers £	Balance at 31-Dec-19 £
General fund	247,146	656,750	(769,785)	-	134,111
Designated fund - Joan Coull Soloists Fund	38,953	-	(20,000)	-	18,953
Designated fund - Fixed Assets and Investments	55,588	-	(5,770)	-	49,818
Designated fund - 2020 COVID-19 Crisis fund	-	-	-	100,000	100,000
Designated fund - Bursary Support	-	-	-	131,605	131,605
	<b>341,687</b>	<b>656,750</b>	<b>(795,555)</b>	<b>231,605</b>	<b>434,487</b>

The Joan Coull Soloists fund exists as a result of a generous legacy gift by long-term supporter Joan Coull. Trustees have decided to direct these funds towards projects that either represent a significant development opportunity for the orchestra, or which closely match Mrs Coull's particular musical interests. Trustees anticipate that the remaining funds will be spent-down by the end of 2020.

The Fixed Assets and Investments Fund represents the balance sheet value of unrestricted tangible fixed assets and unrestricted unlisted investments which are not held as part of the charity's liquid unrestricted reserves.

The designated 2020 COVID-19 Emergency Fund and Bursary Support Fund were created at the end of 2019 from the balance of the Expendable Endowment Fund. Trustees decided to designate these funds to best support Southbank Sinfonia through the unprecedented financial impact of the COVID-19 crisis of 2020, and to support player bursaries in line with the original intentions of the FSA.

**Charity 2018**

Charity 2018	Balance at 01-Jan-18 £	Incoming Resources & Revaluation £	Outgoing Resources £	Transfers £	Balance at 31-Dec-18 £
General fund	263,350	897,572	(913,776)	-	247,146
Designated fund - Website Fund	21,904	-	(21,904)	-	-
Designated fund - Joan Coull Soloists Fund	58,953	-	(20,000)	-	38,953
Designated fund - 2018 Fund	44,191	-	(44,191)	-	-
Designated fund - Fixed Assets and Investments	60,991	-	(5,403)	-	55,588
	<b>449,389</b>	<b>897,572</b>	<b>(1,005,274)</b>	<b>-</b>	<b>341,687</b>

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**21 RESTRICTED FUNDS**

**Group and Charity**

	Balance at 01-Jan-19 £	Incoming Resources & Revaluation £	Outgoing Resources £	Transfers £	Balance at 31-Dec-19 £
<b>Expendable endowment fund</b>					
Bursary Trust Support Fund	229,912	19,093	(17,400)	(231,605)	-
	<u>229,912</u>	<u>19,093</u>	<u>(17,400)</u>	<u>(231,605)</u>	<u>-</u>
<b>Restricted income fund</b>					
SbS Foundation Laptops (asset depreciation)	2,978	-	(1,742)	-	1,236
Bursary 2019	98,750	163,988	(262,738)	-	-
Bursary 2019-2020 - The Humphrey Richardson Taylor Charitable Trust	8,600	8,700	(8,600)	-	8,700
Bursary 2020+	-	87,270	-	-	87,270
Bursary - Dr Elman Poole Scholarship	33,272	35,417	(1,000)	-	67,689
Artist Development/Education	1,000	12,890	(3,220)	-	10,670
#ConcertLab - Cockayne – Grants for the Arts and the London Community Foundation	15,000	-	(15,000)	-	-
#ConcertLab - Other	-	9,000	(9,000)	-	-
Allegri Quartet participation	2,845	15,850	(18,695)	-	-
2019 Core Costs	35,000	-	(35,000)	-	-
2020 Core Costs	-	10,000	-	-	10,000
Anghiari 2020	-	5,725	-	-	5,725
ASMF 2019-20 - The Steel Charitable Trust	3,500	-	(3,500)	-	-
Restricted Fund Other:	18,107	84,110	(108,817)	-	(6,600)
	<u>219,052</u>	<u>432,950</u>	<u>(467,312)</u>	<u>-</u>	<u>184,690</u>
	<b>448,964</b>	<b>452,043</b>	<b>(484,712)</b>	<b>(231,605)</b>	<b>184,690</b>

**Group and Charity 2018**

	Balance at 01-Jan-18 £	Incoming Resources & Revaluation £	Outgoing Resources £	Transfers £	Balance at 31-Dec-18 £
<b>Expendable endowment fund</b>					
Bursary Trust Support Fund	247,637	(6,826)	(10,899)	-	229,912
	<u>247,637</u>	<u>(6,826)</u>	<u>(10,899)</u>	<u>-</u>	<u>229,912</u>
<b>Restricted income fund</b>					
Foyle Foundation Lighting Grant (asset depreciation)	3,879	-	(3,879)	-	-
SbS Foundation Laptops (asset depreciation)	-	3,849	(871)	-	2,978
Bursary 2018 (as restated)	92,150	62,650	(154,800)	-	-
Bursary - Dr Elman Poole Scholarship	27,815	25,457	(20,000)	-	33,272
Bursary - Dr Elman Poole Scholarship (not yet in EFG)	26,449	(26,449)	-	-	-
Bursary 2019+	-	98,750	-	-	98,750
Bursary 2019 - The Humphrey Richardson Taylor Charitable Trust	-	8,600	-	-	8,600
Visa costs	3,159	-	(3,159)	-	-
Artist Development/Education	5,100	6,000	(10,100)	-	1,000
Ashkenazy Concert 2018 - London	7,265	-	(7,265)	-	-
Ashkenazy Concert 2018 - Guernsey	-	2,000	(2,000)	-	-
Berlin 2018	7,485	1,750	(9,235)	-	-
Judith Weir project - PRS Resonate 2018	7,636	-	(7,636)	-	-
#ConcertLab	4,000	13,400	(17,400)	-	-
#ConcertLab - Cockayne – Grants for the Arts and the London Community Foundation	-	15,000	-	-	15,000
Allegri Quartet participation	-	13,750	(10,905)	-	2,845
Cheryl Frances Hoad project	-	11,537	(11,537)	-	-
2019 Core Costs	-	35,000	-	-	35,000
ASMF 2018-19 - The Steel Charitable Trust	3,500	3,500	(3,500)	-	3,500
Restricted Fund Other:	11,888	31,786	(25,567)	-	18,107
	<u>200,326</u>	<u>306,580</u>	<u>(287,854)</u>	<u>-</u>	<u>219,052</u>
	<b>447,963</b>	<b>299,754</b>	<b>(298,753)</b>	<b>-</b>	<b>448,964</b>

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**22 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>Charity</b>	<b>Tangible fixed assets £</b>	<b>Unlisted investments £</b>	<b>Listed investments £</b>	<b>Investment Portfolio (Capital cash) £</b>	<b>Net current assets £</b>	<b>Total 2019 £</b>
<b>Unrestricted funds:</b>						
General fund	-	-	181,974	3,435	(47,793)	137,616
Designated fund	27,828	23,225	222,662	4,203	18,953	296,871
<b>Restricted funds:</b>						
Expendable endowment fund	-	-	-	-	-	-
Restricted income fund	-	-	56,423	1,065	127,202	184,690
<b>Total funds</b>	<b>27,828</b>	<b>23,225</b>	<b>461,059</b>	<b>8,703</b>	<b>98,362</b>	<b>619,177</b>

<b>Charity 2018</b>	<b>Tangible fixed assets £</b>	<b>Unlisted investments £</b>	<b>Listed investments £</b>	<b>Investment Portfolio (Capital cash) £</b>	<b>Net current assets £</b>	<b>Total 2018 £</b>
<b>Unrestricted funds:</b>						
General fund	-	-	233,823	4,957	8,366	247,146
Designated fund	32,362	23,225	-	-	38,954	94,541
<b>Restricted funds:</b>						
Expendable endowment fund	-	-	235,438	4,992	(10,518)	229,912
Restricted income fund	-	-	33,669	714	184,669	219,052
<b>Total funds</b>	<b>32,362</b>	<b>23,225</b>	<b>502,930</b>	<b>10,663</b>	<b>221,471</b>	<b>790,651</b>